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Near East and South Asia Review



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Supplement
30 August 1985

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<i>Some articles are preliminary views of a subject or speculative, but the contents normally will be coordinated as appropriate with other offices within CIA. Occasionally an article will represent the views of a single analyst; these items will be designated as noncoordinated views. Comments may be directed to the authors,</i>				
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Articles

Libya-Tunisia:
Qadhafi's Intentions

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The Libyan expulsion of Tunisian workers—26,000 so far this month—threatens Tunis with its most serious domestic crisis since the bread riots in January 1984. Tunis fears that Libyan leader Qadhafi wants to use the expulsions as a cover for both widespread Libyan-orchestrated destabilization and an invasion by Libyan forces.

same time, the government probably will confiscate the personal property left behind by the deportees for cheap sale to Libyans to ease unprecedented popular discontent over deteriorating living conditions.

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Qadhafi's Aims in Tunisia

In the case of Tunisia, the expulsion order probably is also motivated by Qadhafi's interest in seeing a pro-Libyan regime in Tunis as the successor to the Western-oriented government of President Bourguiba.

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We believe that Tunisia has exaggerated the threat of an imminent Libyan invasion, but its fears of Libyan-sponsored destabilization are well founded. A key unknown involves the extent to which Libya's accelerated two-year effort to build a subversive network has succeeded in developing assets in the Tunisian armed forces.

Libya almost certainly is using the expulsion of Tunisians to infiltrate additional agents.

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Roots of the Expulsions

We believe the sudden expulsion of thousands of foreign workers from Libya—including Tunisians, Egyptians, Algerians, Nigeriens, Mauritians, and others—has been driven primarily by Qadhafi's security and economic concerns. The expulsions are intended to diminish the internal security threat in Libya by reducing the number of workers from countries Qadhafi distrusts. Additionally, Qadhafi has maintained for years that Libya cannot afford the luxury of foreigners performing menial jobs that could be done by Libyans. For the moment, Tripoli is exempting highly skilled personnel, including doctors and technicians in petroleum and other critical industries and priority development projects. At the

We believe that, upon Bourguiba's death, Libya will use these dissidents to try to gain influence over a new regime. The dissidents would try to spread pro-Libyan propaganda, infiltrate various interest groups, and orchestrate widespread violence—including terrorism—to overwhelm Tunisia's security services and spark a general insurrection. Even if Tunisia's national guard and Army could restore order, Qadhafi would have sent the signal that Bourguiba's successor must accept Libyan influence or face further destabilization.

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[redacted]

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The apparatus Qadhafi would use to implement this scheme probably is still being built. [redacted]

[redacted]

his apparatus for destabilization. Even so, we believe that Qadhafi might be ready to implement a destabilization plan on his own in several months.

[redacted]

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At the same time, Qadhafi probably hopes that Tunisia's economic malaise makes the country ripe for his meddling. If all 70,000 Tunisians are expelled from Libya, Tunisia's unemployment would increase from the current 20 percent to 30 percent. At the same time, Tunisia would lose as much as \$70 million in remittances those workers would have sent home annually and \$60 million in annual trade with Libya. The loss of income and rise in unemployment would derail Tunis's plans to reduce the budget deficit and cut burdensome subsidies—critical items in government efforts to obtain foreign assistance and maintain peace with politically powerful labor unions.

[redacted]

While Bourguiba is still alive, Qadhafi has ways to intimidate Tunis to assume a more pro-Libyan line. Sponsoring terrorist or paramilitary attacks anywhere in Tunisia would prompt some leaders in Tunis to argue that Qadhafi must be placated. Even a small military demonstration near the border—moving up a tank battalion, firing at a border post, or flying Libyan fighters into Tunisian airspace—would have this effect. Such measures would also serve to warn leading Tunisians already jockeying for position that they cannot ignore Tripoli in the presidential succession. Libyan moves at this level could occur at any time with no warning [redacted]

[redacted]

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These developments could spark a popular uprising even more violent than the bread riots of 1984, particularly if Tunis maintains a wage freeze while reducing food and other politically sensitive subsidies. A test could come in early September with a scheduled nationwide transport strike. Unlike 1984, however, Qadhafi could be in a better position to take advantage of the situation. [redacted]

[redacted]

Other Scenarios

[redacted]

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Timing

The timing of Libya's main thrust probably is keyed to Bourguiba's death unless Qadhafi perceived a massive breakdown in public order in the interim or concluded that Bourguiba was too fragile to take charge of quieting large-scale disturbances. [redacted]

[redacted]

[redacted] Given Bourguiba's current poor health, Qadhafi may be accelerating his timetable to set up

We consider a large-scale Libyan military invasion unlikely. Qadhafi probably believes that such action would result in military intervention by the United States, France, or Algeria on Tunisia's behalf. Additionally, Libya would be hard pressed to push into Tunisia and still maintain its hold on northern

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[redacted]

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Chad and its defenses against Egypt. Satellite photography of western Libya and Chad reveals no preparations or the movement of equipment and personnel sufficient for Libya to move into Tunisia in force. [REDACTED]

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Nonetheless, Qadhafi may envision a role for some of his military forces to further destabilization. If Tunisian dissidents gained control of some Tunisian territory, Libyan transports could resupply them or bring in more dissidents from Libyan camps in a matter of days. If, however, Qadhafi received clear signals from Algeria or others that this would not be tolerated—or if he believed a pro-Libyan government would be likely without overt military involvement—Qadhafi probably would not take even such limited military action. [REDACTED]

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Afghanistan in July

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Fighting was heavy throughout Afghanistan in July, largely because of stepped-up insurgent attacks. Guerrillas in western Afghanistan mounted a major operation and controlled most of Herat city throughout July. Insurgents also conducted an unusually high number of rocket attacks and bombings in Kabul, despite increased security measures by Soviet and regime forces. Heavy fighting also occurred in numerous other provinces, including Qandahar, Badakhshan, Konarha, Ghanzi, Balkh, and Jowzjan. The Soviets launched another major offensive against insurgent forces in the Panjsher Valley.

Herat Heats Up

Regime control of Herat declined further in July as insurgents launched new actions.

The resistance continued to have the upper hand through midmonth and conducted frequent ambushes of Soviet and regime armored convoys on the outskirts of the city, according to US Embassy sources. In one incident, insurgents hiding in a deserted bazaar ambushed a Soviet convoy, destroying 22 vehicles.

The Soviets conducted reprisals of unprecedented intensity and caused heavy civilian casualties, according to the US Embassy in Kabul.

Kabul Security Deteriorates

US Embassy sources report that the situation in Kabul has deteriorated markedly over the past few months. The Soviet Embassy, the Darulaman military complex, and the airport are favorite targets for insurgent rocket attacks, which have been occurring almost nightly. The heaviest rocket attack in over a year occurred on 27 July at the Soviet airbase, and two transports were damaged. Bombing incidents

were also up last month. Bombs exploded at the Polytechnic Institute (8 July), the Microrayon shopping center (10 July), and a KHAD station near the US Embassy (31 July).

Fighting spilled over into the streets in areas surrounding the city. Despite increasingly tight security, insurgent forces were continuing to shell the city from surrounding hills at month's end.

civilians paid a high price during the campaign. Two hundred civilians were killed in Bagram by Soviet troops on 4 July. Reports of a severe water shortage and a cholera epidemic have also circulated in the city.

Fighting Picks Up Elsewhere

Heavy fighting occurred in virtually every province in Afghanistan:

- In Qandahar Province, US Embassy sources reported numerous artillery and mortar duels during the last two weeks of July. Insurgents ambushed three convoys, damaging 25 trucks.
- Fighting continued in Ghazni Province, especially at night, according to US Embassy reports.
- Barikowt, in the Konar Valley, was again under siege.

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During the next several months, we can expect to see insurgent attacks on Soviet and regime supply and communication lines. For their part, Soviet and regime forces will continue operations to preserve their control of major cities, military outposts, and communications lines. Their operations will also focus on disrupting insurgent supply lines and destroying resistance arms caches. [REDACTED]

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The Panisher Valley Offensive

[REDACTED]

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The Soviets were responding to the capture in June of an Afghan Army post at Peshghowr, during which hundreds of regime troops were killed, wounded, or captured by Panjsher insurgent chief Masood's forces, according to US Embassy sources. Soviet and regime military activity consisted mainly of blockade-and-sweep operations. [REDACTED]

[REDACTED]

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[REDACTED]

The Panjsher operation ended in late July [REDACTED]

[REDACTED]

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Looking Ahead

Insurgent forces will pose serious challenges to the Soviets and the regime in the cities, in our view. The overrunning of Peshghowr and the nightly rocket attacks and bombings of Kabul underscore the fact that the mujahedin are making better use of intelligence, are receiving supplies on a more regular basis, and are becoming more effective. In the past month, insurgent forces have demonstrated an ability to launch operations in—and even dominate temporarily—areas throughout Afghanistan. [REDACTED]

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PLO and Indian Operations
in the Maldives

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The PLO and India have helped the Maldives Republic establish and maintain passenger air routes to help its fledgling tourist industry.

India is keeping a watchful eye on growing US and Soviet naval activity in the Indian Ocean. As a result of their assistance to Maldives International Airlines, the PLO and presumably India have acquired access to the former British airbase and facilities on Gan, the Maldives' most southerly island, which lies only 700 kilometers north of Diego Garcia.

Background

As one of the world's poorest and most isolated countries, the Indian Ocean island nation of the Maldives is trying to develop tourism to spur its economy. Limited interisland transport and a poor communications network, however, have proved to be major obstacles, forcing the Maldives to look for aid in establishing and maintaining passenger air routes. Maldivian President Maumoon Abdul Gayoom's strategy has been to build as many resorts as possible on uninhabited islands to attract bargain-seeking vacationers, especially from Europe.

In 1983, Gayoom launched a drive to acquire airplanes, pilots, tourist industry managers, and modern radio communications as a first step in expanding Maldivian tourism. He found two eager donors: India and the Palestine Liberation Organization.

Within the last six months both donors have helped Gayoom resume regular flights to India to promote tourism.

Gayoom's partnership with India and the PLO reflects the Maldives' deep ethnic and historical ties to both South Asia and the Middle East. As a member of the Nonaligned Movement and South

The Maldives

The Republic of Maldives comprises a chain of 2,000 islands spanning over 800 kilometers. The Maldives are located along the major trade and shipping routes of the Indian Ocean and have historically served as a steppingstone to both South Asia and the Middle East. Most of the islands are uninhabited, and many are accessible only by sailboats. Fishing is the main occupation of the islands' 178,000 inhabitants and provides the bulk of the Maldives' \$74 million gross domestic product.

Asian Regional Cooperation, the Maldives fall within India's South Asian orbit. India has always kept a close watch on this nearby strategic area and has used Gayoom's request for aid as a basis for a strong presence in the Maldives.

As Muslims, Maldivians have for centuries enjoyed strong cultural ties to the Arab world. Gayoom and his Cabinet were educated in Egypt and have publicly affirmed their strong sympathy for the PLO.

The PLO Connection

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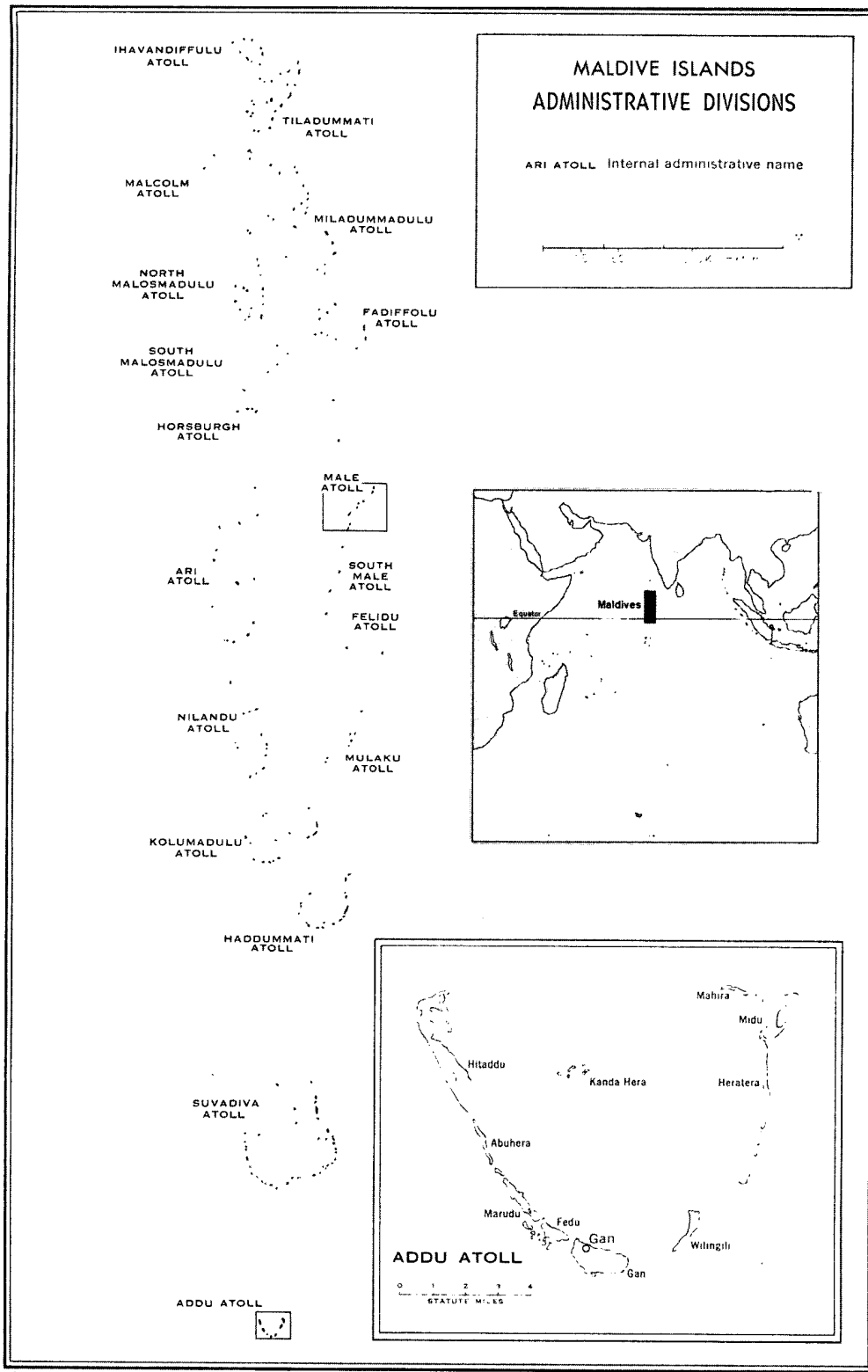
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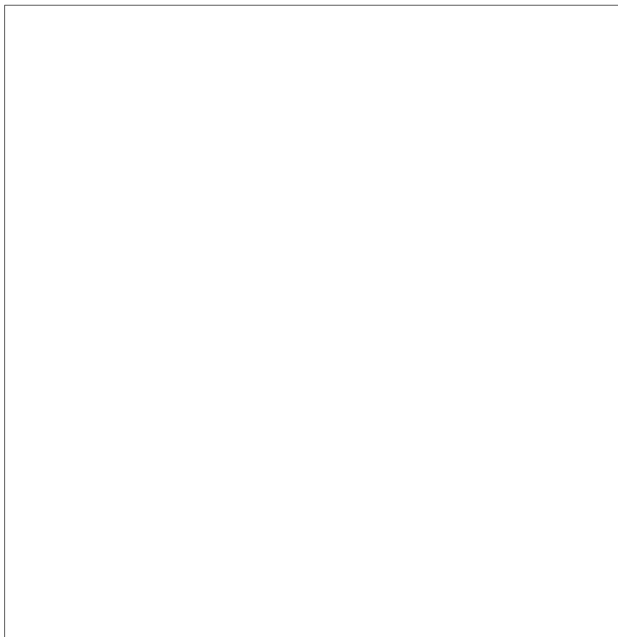
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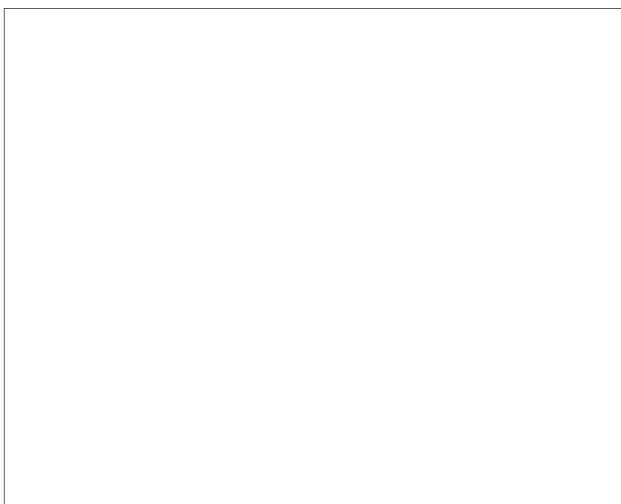
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As the PLO began building and staffing its small airline, [redacted]

[redacted] At the time of Gayoom's decision to improve the facilities at Gan in June 1983, the Maldives had no scheduled commercial service to Gan. Gayoom justified these improvements as preparations for tourist air traffic to the southern atolls, but the PLO's fledgling operation was the first to benefit. As an additional gesture to the PLO, Gayoom allowed the PLO to upgrade its diplomatic representation in the Maldives to embassy status in early 1984. [redacted]



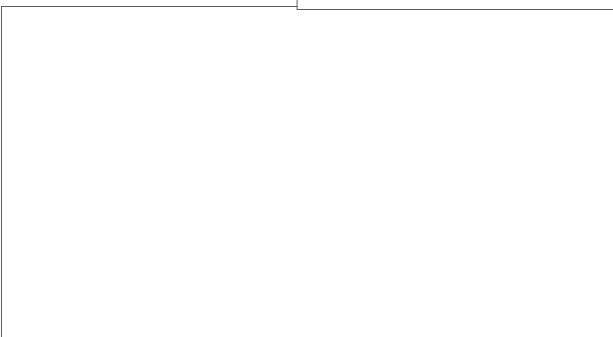
The Importance of Gan Island

Gan Island is uniquely positioned and well equipped to serve as a staging ground for naval, air, and intelligence operations in the Indian Ocean. The British-built facilities include a 2,651-meter runway—long enough to handle Soviet-built maritime reconnaissance aircraft, such as the IL-38 that the Indians have. It also has oil storage tanks, barracks, administrative buildings, and a pier. In addition, a nearby island contains a former British communications station. [redacted]

New Delhi's presence on Gan is designed to prevent the establishment of a US or Soviet foothold and to reaffirm India's hegemony in the region. Presumably because of Gan's proximity to Diego Garcia, the Soviets tried twice to lease the island's facilities but were rebuffed by Gayoom, probably at India's request. [redacted]

Indian/PLO Collaboration in the Maldives

India's relations with the PLO are good, and New Delhi has accepted without major reservations the PLO's use of Gan Island. [redacted]



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[REDACTED] New Delhi's main objectives in collaborating with the PLO have been to monitor PLO activities in the Maldives and to improve its access to the strategic airbase on Gan Island. [REDACTED]

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Outlook

Neither India nor the PLO intends to relinquish its foothold on Gan any time soon. The PLO has developed a unique and very useful base there. As long as New Delhi perceives the US military base at Diego Garcia as an unwanted intrusion in the Indian Ocean and wants to monitor PLO operations, Indian operations are likely to continue on Gan. [REDACTED]

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The PLO has recognized New Delhi's preeminent position in the region and its compelling strategic interests in Gan. In return, New Delhi has allowed the PLO to consolidate its operations in the Maldives. But if the PLO cannot manage air service to India effectively or if PLO operations are disclosed, India may press Gayoom to expel the PLO. [REDACTED]

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[REDACTED]

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